

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO**

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In re	)	PROMESA Title III
	)	
<b>THE COMMONWEALTH OF PUERTO</b>	)	<b>No. 17 BK 3283-LTS</b>
<b>RICO et al.,</b>	)	<b>(Jointly Administered)</b>
	)	
<b>Debtors.<sup>1</sup></b>	)	<b>Re: Dkt. No. 8862, 8915, 8934, 8945, 9008, 9160,</b>
	)	<b>9170, 9186, 9188, 9350, 9399, 9536</b>
	)	

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**JOINT URGENT MOTION FOR ADJOURNMENT OF DUFF & PHELPS FEE  
OBJECTION TO THE MARCH 4, 2020 OMNIBUS HEARING**

The Fee Examiner, Brady C. Williamson (“Fee Examiner”), appointed in the above-captioned cases, by his counsel, jointly with Duff & Phelps, LLC (“D&P”), by its counsel, submits this *Joint Urgent Motion for Adjournment of Duff & Phelps Fee Objection to the March 4, 2020 Omnibus Hearing* (the “Urgent Uncontested Motion”). It addresses the status of the parties’ continuing negotiations and the request to both adjourn the January 30, 2020 hearing on the *Fee Examiner’s Limited Objection to the Amended First Interim Application of Duff & Phelps LLC for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred as Independent Forensic Analysis Team to the Financial Oversight and Management Board for Puerto Rico, as Representative of the Debtor, the Commonwealth of*

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<sup>1</sup> The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the: (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and, (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747 ) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

*Puerto Rico, for the Period of November 1, 2018 Through January 31, 2019* [Dkt. No. 8862] (the “Fee Objection”) and extend indefinitely both the discovery deadlines and the January 8, 2020 deadline for submission of pre-trial stipulations and simultaneous pre-trial briefs set in the *Order Regarding Joint Status Report by Fee Examiner and Duff & Phelps LLC in Response to Order Dated October 25, 2019* [Dkt. No. 9170] (the “Third Scheduling Order”).

## **PRELIMINARY STATEMENT**

This motion, pursuant to the Tenth Amended Case Management Procedures, notifies the Court that the Fee Examiner and D&P have continued to engage in productive substantive discussions and wish to continue, in good faith, to work towards the resolution of *all* D&P’s fee and expense requests, including the First and Second Applications and the June 2019 Fee Statement.<sup>2</sup> Accordingly, they respectfully request adjournment of the hearing on the Fee Objection from January 30, 2020 until the March 4, 2020 Omnibus Hearing or a later date. The Fee Examiner and D&P also request corresponding extensions of both the deadlines for completing discovery and for pre-trial submissions and request as well that the related Summary Judgment Motion be held in abeyance.

## **BACKGROUND**

On October 15, 2019, the Fee Examiner filed the *Fee Examiner’s Limited Objection to the Amended First Interim Application of Duff & Phelps LLC for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred as Independent Forensic Analysis Team to the Financial Oversight and Management Board for Puerto Rico, as Representative of the Debtor, the Commonwealth of Puerto Rico, for the Period of November 1, 2018 Through January 31, 2019* (the “First Application”) requesting \$1,914,104.50 in fees and \$71,798.08 in expenses, D&P filed a subsequent application for the sixth interim fee period (February 1, 2019 through May 31, 2019) requesting \$350,401.50 in fees and \$8,574.81 in expenses [Dkt. No. 7997] (the “Second Application”) and submitted a June 2019 fee statement requesting \$14,726.50 in fees (the “June Fee Statement”). The Fee Examiner understands that D&P will request no fees for services provided after June 30, 2019, though it still will file a final fee application.

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<sup>2</sup> In addition to filing the *Amended First Interim Application of Duff & Phelps LLC for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred as Independent Forensic Analysis Team to the Financial Oversight and Management Board for Puerto Rico, as Representative of the Debtor, the Commonwealth of Puerto Rico, for the Period of November 1, 2018 Through January 31, 2019* (the “First Application”) requesting \$1,914,104.50 in fees and \$71,798.08 in expenses, D&P filed a subsequent application for the sixth interim fee period (February 1, 2019 through May 31, 2019) requesting \$350,401.50 in fees and \$8,574.81 in expenses [Dkt. No. 7997] (the “Second Application”) and submitted a June 2019 fee statement requesting \$14,726.50 in fees (the “June Fee Statement”). The Fee Examiner understands that D&P will request no fees for services provided after June 30, 2019, though it still will file a final fee application.

*Services Rendered and Reimbursement of Expenses Incurred as Independent Forensic Analysis Team to the Financial Oversight and Management Board for Puerto Rico, as Representative of the Debtor, the Commonwealth of Puerto Rico, for the Period of November 1, 2018 Through January 31, 2019 [Dkt. No. 8862] (the “Fee Objection”).<sup>3</sup>*

On October 22, D&P filed the *Reply of Duff & Phelps LLC to Fee Examiner’s Limited Objection (Doc. No. 8862) to Amended First Interim Application for Allowance of Compensation and Reimbursement of Expenses for Period November 1, 2018 Through January 31, 2019* [Dkt. No. 8915] (the “**Duff & Phelps Response**”).

On October 24, 2019, the Court entered the *Order Setting Deadline for Joint Status Report by Fee Examiner and Duff & Phelps* [Dkt. No. 8945] (the “**First Scheduling Order**”) requiring the parties to file a joint status report by Tuesday October 29, 2019.

During the same time frame, D&P informed the Fee Examiner that it wished to adjourn the hearing on the Fee Objection to December 11, 2019 or a later date to continue discussions. As such, the *Fee Examiner’s Report on Uncontested Professional Fee Matters for Consideration in Connection with the October 30, 2019 Omnibus Hearing* [Dkt. No. 8934] requested adjournment of the Fee Objection to the December 11, 2019 Omnibus Hearing. *Id.* at 8.

On October 25, 2019, the Court entered the *Order Adjourning Hearing and Setting Amended Deadline for Joint Status Report by Fee Examiner and Duff & Phelps* [Dkt. No. 9008] (the “**Second Scheduling Order**”), re-setting the deadline for the joint status report to December 2, 2019 and adjourning the hearing on the Fee Objection to the December 11, 2019 Omnibus Hearing “without prejudice to further adjournment.”

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<sup>3</sup> As noted in the Fee Objection, the Fee Examiner continues to reserve the right to amend the Fee Objection. See Dkt. No. 8862 at p. 3, n.4.

Complying with the Second Scheduling Order, the parties met and conferred, developing and filing on November 14, 2019 the *Joint Status Report by Fee Examiner and Duff & Phelps LLC* [Dkt. No. 9160] (the “**Joint Status Report**”) outlining a proposed schedule for resolution of the Fee Objection. The same day, the Court entered the Third Scheduling Order adopting the parties’ proposed schedule, adjourning the hearing on the Fee Objection to the January 30, 2020 Omnibus Hearing, and setting the following deadlines:

1. **November 29, 2019:** Deadline for the completion of document discovery;
2. **January 3, 2020:** Deadline for the completion of depositions; and
3. **January 8, 2020:** Deadline for the submission of pre-trial submissions and simultaneous pre-trial briefs.

On November 15, 2019, D&P filed its *Motion and Memorandum of Law in Support of Duff & Phelps, LLC Motion for Summary Judgment Under Fed. R. Bankr. P. 7056* [Dkt. No. 9188] and *Statement of Material Facts in Support of Motion for Partial Summary Judgment Under Fed. R. Bank. P. 7056(a)* [Dkt. No. 9186] (together, the “**Summary Judgment Motion**”).

On November 26, 2019, the Court entered the *Order Setting Briefing Schedule for Duff & Phelps’s Motion for Summary Judgment* [Dkt. No. 9350] (the “**Fourth Scheduling Order**”), adjourning the Fee Examiner’s deadline to respond to the Summary Judgment Motion to December 3, 2019 and D&P’s deadline to file a reply to December 10, 2019. The Court also indicated it would take the Summary Judgment Motion on submission and that the schedule set forth in the Third Scheduling Order remained unchanged.

On December 3, 2019, the Fee Examiner filed the *Fee Examiner’s Responsive Memorandum in Opposition to Duff & Phelps, LLC’s Motion for Partial Summary Judgment* [Dkt. No. 9399] and, on December 10, 2019, D&P filed its *Reply Memorandum in Support of*

*Duff & Phelps, LLC Motion for Summary Judgment Under Fed. R. Bankr. P. 7056 [Doc. No. 9188] [Dkt. No. 9536].*

In late December, after the conclusion of the Summary Judgment briefing, D&P and the Fee Examiner continued to discuss a possible consensual resolution of the First Application, with the Fee Examiner and D&P understanding that the Second Application and June Fee Statement had not yet been analyzed and addressed. The parties now wish to continue to pursue a resolution of *all* of D&P's fee and expense requests (*see* n.2, *supra*). Accordingly, the Fee Examiner and D&P respectfully request: 1) adjournment of the hearing on the Fee Objection currently scheduled for the January 30, 2020 Omnibus Hearing to the March 4, 2020 Omnibus Hearing or a later date; 2) indefinite extension of both the corresponding discovery deadlines and the corresponding January 8, 2020 deadline for pre-trial submissions; and 3) that the Summary Judgment Motion be held in abeyance, pending potential consensual resolution of the parties' dispute.

Attached to this Motion for Adjournment as **Exhibit A** is a proposed *Order Adjourning Hearing on Fee Examiner's Objection to Amended First Interim Fee Application of Duff & Phelps, LLC* (the "**Proposed Order**"), which embodies the relief requested in this motion. The Proposed Order in MS Word format will be submitted to chambers upon the filing of this motion.

**WHEREFORE**, the parties request that the Court enter the Proposed Order and grant such other relief as is just and proper.

**WE HEREBY CERTIFY** that on this date, we electronically filed the foregoing motion with the Clerk of the Court using the CM/ECF system that will send notification of such filing to all attorneys of record registered in the use of the CM/ECF system.

Dated: January 7, 2020.

**ANTONETTI MONTALVO &  
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## **EXHIBIT A**

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO**

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<b>In re</b>	)	<b>PROMESA</b>
	)	<b>Title III</b>
<b>THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,</b>	)	<b>No. 17 BK 3283-LTS</b>
<b>As a representative of</b>	)	<b>(Jointly Administered)</b>
<b>THE COMMONWEALTH OF PUERTO RICO et al.,</b>	)	<b>Re: ECF Dkt. Nos. 8862, 9170, 9188, ____</b>
<b>Debtors.<sup>1</sup></b>	)	
	)	
	)	

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**ORDER ADJOURNING HEARING ON FEE EXAMINER'S OBJECTION TO  
AMENDED FIRST INTERIM FEE APPLICATION OF DUFF & PHELPS, LLC**

The Court has received and reviewed the *Joint Urgent Motion for Adjournment of Duff & Phelps Fee Objection to the March 4, 2020 Omnibus Hearing* [Dkt. No. \_\_\_\_], in which the Fee Examiner and Duff & Phelps, LLC, the parties to the *Fee Examiner's Limited Objection to the Amended First Interim Fee Application of Duff & Phelps LLC for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred as Independent Forensic Analysis Team to the Financial Oversight and Management Board for Puerto Rico, as Representative of the Debtor, the Commonwealth of Puerto Rico, for the Period of November 1, 2018 Through January 31, 2019* [Dkt. No. 8862] (the “**Fee Objection**”) represent that they have

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agreed to adjourn the Fee Objection to the Omnibus Hearing scheduled for March 4, 2020, or a later date.

IT IS HEREBY ORDERED THAT:

1. The hearing on the Fee Objection, which is currently scheduled for the January 30, 2020 Omnibus Hearing, is hereby adjourned to the March 4, 2020 Omnibus Hearing, without prejudice to further adjournment.

2. The deadlines for completing discovery, depositions and filing of the parties' pre-trial stipulations and briefs are extended indefinitely.

3. The Court will hold the *Motion and Memorandum of Law in Support of Duff & Phelps, LLC Motion for Summary Judgment Under Fed. R. Bankr. P. 7056* [Dkt. No. 9188] (the "Summary Judgment Motion") in abeyance until further notice.

4. This Order amends the deadlines set in this Court's *Order Regarding Joint Status Report by Fee Examiner and Duff & Phelps LLC in Response to Order Dated October 25, 2019* [Dkt. No. 9170].

SO ORDERED.

Dated: January \_\_\_\_ , 2020

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LAURA TAYLOR SWAIN  
United States District Judge

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